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FOREIGN CROPS and MARKETS



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IN THIS ISSUE

	Page
LATE FOREIGN DEVELOPMENTS	640
GRAINS -	
Canadian Wheat Prospects Above Last Year:	
Other Grains Little Changed	641
Egypt's 1942 Wheat Crop Below Earlier Expectations	642
Australia Has Large Barley Supply	642
Uruguay Harvests Large Rice Crop	644
VEGETABLE OILS AND OILSEEDS-	
Argentine Oilseed Crops Above Average	645
Argentine Grain Board Reduces Price of Flaxseed	646
Cuban Government Issues Regulations for Sale of Edible Vegetable Oils	646
COTTON - OTHER FIBERS -	
Egypt Cotton Exports Higher Than Last Year	647
Increase in North Ireland's Fiber Flax Area not Hopeful	649
Restrictions for 1942 Jute Crop of Bengal Less Drastic	649
TOBACCO -	
Argentina Establishes Official Tobacco Warehouses and Market	651
Argentina's 1941-42 Tobacco Crop 21 Percent Below Previous Year.....	651
FRUITS, VEGETABLES, AND NUTS -	
Spanish 1941-42 Olive Oil Production Above Last Year	652
Spanish 1941 Mid-Season Almond Situation	653
LIVESTOCK AND ANIMAL PRODUCTS -	
Australian Hog Situation Improving	655
Cuban Dairy Industry Steadily Expanding	658

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LATE FOREIGN DEVELOPMENTS

CANADA: Prairie Provinces experienced warmer weather during week ended June 9, which stimulated growth of crops. Except in central and northwestern areas of Saskatchewan, where additional moisture needed, wheat prospects generally favorable. Height of plants reported 6 to 8 inches in Manitoba and 4 to 6 inches in Alberta and Saskatchewan. Stooling generally satisfactory. Damage from pests and frost not serious.

EGYPT: Final official estimate places 1941 Egyptian cotton crop at 1,735,000 bales (of 478 pounds) against second estimate of 1,671,000 and final 1940 estimate of 1,900,000. Late estimate includes 1,049,000 bales with staple length of 1-1/8 to 1-1/4 inches; 32,000, 1-1/4 to 1-3/8 inches; 619,000, 1-3/8 inches and over (402,000 of which were Giza 7); and 35,000 bales of scarto (damaged cotton, unclassified).

ARGENTINA: Supplies of dairy products are ample. A small surplus has been created due to lack of shipping facilities.

* * * * *

June 15, 1942

Foreign Crops and Markets

641

G R A I N S

CANADIAN WHEAT PROSPECTS

ABOVE LAST YEAR;

OTHER GRAINS LITTLE CHANGED . . .

Prospects for the 1942 wheat crop of Canada on May 31 were better this year than last and above average, according to the Dominion Bureau of Statistics. Numerically expressed, the condition of the crop was 108, as compared with 98 on May 31, 1941. Winter wheat in the Province of Ontario was reported to be more promising than in any other recent year, as a result of frequent rains during May. Favorable prospects were also indicated for the relatively small eastern crop of spring wheat.

In the Prairie Provinces, where the bulk of the large spring crop of Canada is produced, the preseasonal and spring weather factors contributing to the development of wheat were more favorable than usual, particularly in Manitoba and Alberta. Expressed in condition figures based upon weather data up to May 31, Manitoba's crop was placed at 124 percent of average, or only slightly below the exceptionally favorable condition reported a year ago. The crop of Saskatchewan was reported at 103, the highest percentage recorded in recent years, but in spite of recent precipitation, the western districts that suffered from lack of moisture in 1941 will need additional rains as the season advances. A better distribution of recent rainfall was reported over the dry areas of Alberta, and the condition of the wheat crop on May 31 was 114 percent of normal as compared with 98 on the corresponding date last year.

PRAIRIE PROVINCES: Condition of spring wheat
May 31, 1938-1942

Province	1938	1939	1940	1941	1942
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Manitoba	114	104	106	128	124
Saskatchewan	88	87	84	92	103
Alberta	118	104	101	98	114

Dominion Bureau of Statistics; figures based on weather factors.

The condition of the other grain crops of Canada on May 31 showed little change from that of last year. Rye was placed at 92 percent, as compared with 91 in 1941, with the best prospects indicated in Ontario. Prospects for feed grains in the Maritime Provinces were very good, and in Quebec and Ontario they were close to normal. The yield per acre of oats and barley in the Prairie Provinces, on considerably expanded acreages, is expected to be virtually the same as obtained last year.

CANADA: Condition of grain crops, May 31, 1938-1942

Crops	1938	1939	1940	1941	1942
	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Wheat - Winter	96	98	98	91	103
Spring a/ ..	101	94	92	98	109
Total a/	101	94	92	98	108
Rye - Winter	98	85	88	89	92
Spring	99	95	93	95	93
Total	98	87	89	91	92
Oats	97	93	92	94	94
Barley	96	93	91	93	92
Mixed grains	99	93	92	94	96

Dominion Bureau of Statistics; 100 = the long-time average yield per acre.

a/ Includes condition figures for Prairie Provinces based on weather factors.

EGYPT'S 1942 WHEAT CROP BELOW EARLIER EXPECTATIONS . . .

The 1942 wheat crop of Egypt was officially estimated at 46,848,000 bushels, a decline of about 6 million from the total return hoped for this year, but an increase over the small 1941 crop of 41,292,000 bushels. In spite of efforts to expand the acreage, a recent survey revealed that only 1,661,000 acres were seeded. The reduction in the yield per acre from the 1936-1940 average may well be attributed to the shortage of fertilizer supplies, but some indication of underestimation has been reported, which suggests that actual returns may be larger. In the meantime, the Government has cancelled previous legislation regarding wheat deliveries and will become the sole purchaser of the 1942 crop.

AUSTRALIA HAS LARGE BARLEY SUPPLY . . .

A record crop in 1941-42, greatly reduced exports this season, and a prospective large carry-over on November 1, feature the current Australian barley situation, according to information received in the Office of Foreign Agricultural Relations. The latest estimate indicates a harvest last season (1941-42) of over 18 million bushels.

June 15, 1942

Foreign Crops and Markets

643

AUSTRALIA: Total acreage and production of barley
and in South Australia, 1933-34 to 1941-42

Year	Acreage			Production		
	South Australia	Other States	Total	South Australia	Other States	Total
	1,000	1,000	1,000	1,000	1,000	1,000
	<u>acres</u>	<u>acres</u>	<u>acres</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
1933-34	307	158	465	5,473	2,818	8,291
1934-35	317	139	456	5,920	2,447	8,367
1935-36	394	171	565	6,765	3,261	10,026
1936-37	304	166	470	4,438	3,204	7,642
1937-38	411	214	625	9,007	4,049	13,056
Average	347	169	516	6,321	3,155	9,476
1938-39	457	288	745	7,855	3,427	11,282
1939-40	504	214	718	10,375	4,850	15,225
1940-41	471	146	617	4,947	2,482	7,429
1941-42	545	270	815	13,021	5,646	18,667

Compiled from official statistics and consular report, Adelaide.

Yields per acre in South Australia and Victoria, the principal barley-producing States, were considerably above average and largely accounted for the big harvest. Not only was the season favorable for high yields, but the quality of the crop also turned out very well, as reflected in the high percentage classified as being suitable for malting, 73 percent being of malting standard and the balance of feeding grades.

At the end of the 1940-41 marketing season, barley stocks were entirely exhausted so that there was no carry-over reported. The large 1941-42 crop has resulted in ample stocks being available for all purposes this season, and it is now expected that there will be a carry-over at the end of October of approximately 6 million bushels. Exports of barley have been very small thus far this season, amounting to less than 1 million bushels. Present information indicates that further exports, if any, will be limited. In the past years Australia has usually accounted for a total of 3 to 4 million bushels or more of barley exports, largely of malting types.

The domestic utilization of barley for malting purposes in Australia amounts to about 4 million bushels, of which three-fourths are used for making beer and one-fourth for malt spirits, foods, and extracts. The principal domestic market for barley is, therefore, for malting and brewing purposes and the outlet for feeding barley is quantitatively secondary in importance. The encouragement given to hog production by present Government policy appears likely, however, to increase the domestic demand for feeding grades.

The acreage seeded, or to be seeded, to barley for the 1942-43 crop may show a sharp decrease as a result of the large crop of 1941-42 and

the substantial surplus expected to remain for carry-over into the new marketing season. Restrictions on the use of super-phosphate and the shortage of manpower will also affect the acreage sown, so that a reduction of as much as 25 percent would not be surprising. Dry weather up to late April prevented farmers from preparing their land, but sowings were expected to go forward quickly following any substantial rainfall.

URUGUAY HARVESTS LARGE RICE CROP . . .

Rice production in Uruguay for 1942, like that of southern Brazil and Argentina, is substantially above that of last year, due to favorable weather and increased acreage. The crop in Uruguay this year is placed at 1,005,000 bushels as compared with the revised estimate of 538,000 bushels in 1941. It is expected that Uruguay will have a small surplus available for export this year.

Rice production on a commercial scale is a relatively new development in Uruguay and it is only since 1931 that the quantity harvested was sufficiently large to be included in their official statistical records. In 1935, when rice production became sufficient to satisfy domestic requirements, a further benefit was accorded local rice growers by the Act of December 27, 1935, which prohibited all further importations of paddy rice into the country except when made by a special Governmental decree that might be issued for the importation of seed rice.

URUGUAY: Rice production, imports, exports, and domestic utilization, 1935-1942

Year	Production		Imports	Exports	Apparent utilization
	Rough	Milled			
	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
1935	686	19,071	3,762	0	22,833
1936	720	21,016	259	3,322	17,953
1937	930	25,854	629	7,676	18,807
1938	779	21,656	54	1,003	20,707
1939	1,050	29,190	14	4,704	24,500
1940	851	23,658	a/	a/	-
1941	538	14,956	-	-	-
1942	1,005	27,939	-	-	-

Compiled from official sources.

a/ No information available.

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June 15, 1942

Foreign Crops and Markets

645

V E G E T A B L E O I L S A N D O I L S E E D SARGENTINE OILSEED CROPS

ABOVE AVERAGE . . .

Peanut production for 1941-42 is placed at 178,573,000 pounds from 182,000 acres, as compared with 134,481,000 pounds and 185,000 acres in 1940-41. This represents a decrease of only 1.6 percent in acreage and an increase of 32.8 percent in yield. This is the largest peanut crop since 1935-36 with the exception of 1939-40 when 186,057,000 pounds were produced.

ARGENTINA: Area, production, and exports of peanuts, and export of peanut oil, 1934-35 to 1941-42

Year	Area planted 1,000 acres	Production 1,000 pounds	Exports a/	
			Peanuts 1,000 pounds	Peanut oil 1,000 pounds
1934-35	198	204,525	2,967	9
1935-36	244	250,240	16,518	9
1936-37	315	174,926	1,243	7
1937-38	303	152,816	7,587	4
1938-39	b/ 200	b/ 89,996	8,226	298
1939-40	220	b/ 186,057	37,041	851
1940-41	185	b/ 134,481	c/ 19,352	c/ 14,740
1941-42	182	d/ 178,573	-	-

Compiled from official sources.

a/ Annual, 1935-1941. b/ Revised. c/ Preliminary. d/ Second estimate.

Exports of peanuts and oil have been negligible in recent years, although both have increased since 1939. Shipments of oil amounted to 14,740,000 pounds in 1941 as compared with 4,000 in 1938. The bulk of the trade has been with other South American countries. If shipping facilities are available exports may show a decided improvement during the current year because of the demand for peanut oil, especially in the United States and Chile.

The second estimate of sunflower seed production has been revised downward to 1,433,000,000 pounds. The decrease is attributed to the fact that some areas were left unharvested because of poor development. The increased demand for sunflower seed has enabled the Grain Board to dispose of a large quantity of their holdings and brought about an increase in price from 12 to 15 pesos per 100 kilograms (\$1.62 to \$2.03 per 100 pounds), delivered at the Port of Buenos Aires.

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ARGENTINE GRAIN BOARD
REDUCES PRICE OF FLAXSEED . . .

The Argentine Grain Regulating Board, in an effort to stimulate the sale of flaxseed, has reduced the export price several times during the past few weeks. Reductions officially reported range from 3 cents to 6.75 cents per bushel, and according to trade sources the price is now \$1.43 per bushel.

CUBAN GOVERNMENT ISSUES
REGULATIONS FOR SALE OF
EDIBLE VEGETABLE OILS . . .

An executive decree issued by the Ministry of Agriculture of Cuba and effective April 27, 1942, prohibits the packing, holding, or sale of edible vegetable oils derived from the mixture of two or more oils from different oleaginous fruits or seeds, or oils to which coloring substances, natural or synthetic products have been added with the purpose of giving artificial flavor or aroma, such prohibition to apply in the case of oils produced in Cuba as well as those imported, regardless of origin. All containers filled with edible vegetable oils shall indicate the fruit or seed from which such oil has been obtained.

A period of 30 days for manufacturers and 120 days for wholesalers and retailers is allowed within which to comply with the terms of the decree. After the expiration of this period, containers that do not comply with the new marking regulations may be altered by the addition of a subcharged label. Permission for the change must be obtained from the Cuban Ministry of Agriculture.

The purpose of this order is probably to encourage production and sale of domestically produced peanut oil. Pure olive oil has always been a luxury item in the Cuban diet, and even before it became scarce and increasingly expensive, efforts were made to produce cheaper oils by blending and adding coloring and flavorings, which would make other and less expensive oils resemble or imitate olive oil. There is still some blending of cheap grades of olive oil, containing high percentages of free fatty acids, with cotton seed, peanut, and soybean oils. Some years ago an effort was made to popularize sesame and sunflower oils but the local trade did not react favorably, and the large land owners responsible for the effort turned to peanut oil as a substitute. Peanut oil production is now sufficient to supply domestic requirements. The effort to popularize peanut oil, however, has been so intensified during the past year or two that the present demand for unadulterated oil exceeds the available supply.

June 15, 1942

647

C O T T O N - O T H E R F I B E R S

EGYPT COTTON EXPORTS

HIGHER THAN LAST YEAR . . .

Exports of Egyptian cotton during the 9 months ended April 28, 1942, were equivalent to 749,000 bales of 478 pounds each, compared with 508,000 bales for the corresponding period in 1940-41. Exports from the 1941 crop by the "buying commission" had reached the equivalent of about 512,000 bales by April 3, 1942. Cotton seed exports by the Commission during the same period amounted to 153,561 short tons. Purchases by the Joint Anglo-Egyptian Cotton Buying Commission were to have ceased after May 15, 1942.

The restriction of cotton acreage as a means of increasing the cultivation of food crops is estimated to have reduced this year's planted area to about 700,000 acres compared with 1,706,000 in 1941. The anticipated decrease in production, however, may be relatively larger because all available supplies of fertilizer were allocated to food crops. Planting in the southern part of the Delta and in Upper Egypt was nearly completed at the end of March. The condition of the growing crops was about normal at that time except for excessive rain in some sections of the Southern Delta and light infestation by thrips and green-worm in other scattered areas. (See page 640 for final 1941-42 production estimate.)

EGYPT: Cotton ginned, by varieties and harvest seasons,

1937-38 to 1941-42
(In bales of 478 pounds)

Cotton Variety	Year beginning September 1				
	1937	1938	1939	1940	1941 a/
	Bales	Bales	Bales	Bales	Bales
Karnak (ex Giza 29)	b/	b/	b/	6,765	39,228
Sakollaridis	115,612	60,755	42,657	66,141	43,260
Manrad	78,140	81,870	72,896	79,893	62,814
Sakha No. 4	33,739	9,583	16,060	24,763	20,369
Giza No. 7	510,913	404,808	528,534	476,364	379,030
Wafir	c/ 17,833	c/ 37,021	84,946	46,967	27,880
Fouadi	11,239	6,545	b/	b/	b/
Malaki	d/ 1,436	d/ 4,557	8,156	25,816	24,130
Giza No. 3	2,805	1,773	b/	b/	b/
Ashmuni	e/ 1,468,547	e/ 1,084,503	701,839	759,197	599,717
Zagora	f/	f/	310,342	398,276	431,149
Other varieties ...	591	752	1,777	1,172	3,247
Scarto	39,860	36,113	34,221	34,713	32,620
Total	2,280,720	1,728,280	1,801,428	1,900,067	1,662,444

Compiled from Monthly Bulletin of Agricultural and Economic Statistics and records of the Ministry of Agriculture. a/ Ginnings through March 31, 1942. b/ Not separately shown. If any, included in "other varieties". c/ Prior to 1939-40 season, Wafir known as Giza No. 12. d/ Prior to 1939-40 season, Malaki known as Giza No. 26. e/ Includes Zagora. f/ Included with Ashmuni.

EGYPT: Cotton ginned, by varieties, and Provinces, 1940-41
(In bales of 478 pounds)

Provinces	Sakel-laridis	Ashmuni	Zagora	Wafir (Giza 12)	Malaki (Giza 26)
	Bales	Bales	Bales	Bales	Bales
Lower Egypt -					
Beheira	381	2,530	10,033	5,090	4,456
Dakahlieh	20,263	-	45,033	2,889	3,246
Gharbieh	44,898	1,469	171,254	32,677	17,949
Minufieh	-	6,965	30,627	1,240	-
Qaliubieh	560	8,835	71,390	2,430	77
Sharkieh	39	1,336	68,390	2,569	88
Total	66,141	21,135	396,727	46,895	25,816
Upper Egypt -					
Giza	-	11,201	1,071	-	-
Beni Suef	-	109,067	478	-	-
Faiyum	-	69,295	-	-	-
Minya	-	301,588	-	61	-
Assyut	-	151,461	-	-	-
Girga	-	75,450	-	11	-
Total	-	718,062	1,549	72	-
Total	66,141	739,197	398,276	46,967	25,816
Scarto	1,496	9,203	7,580	1,085	647
General total ..	67,637	748,400	405,856	48,052	26,463
	Maarad	Giza 7	Sakha 4	Other varieties	Total
	Bales	Bales	Bales	Bales	Bales
Lower Egypt -					
Beheira	632	155,401	80	1,439	180,092
Dakahlieh	12,010	70,578	1,201	4	155,224
Gharbieh	41,289	234,462	23,482	5,685	573,165
Minufieh	760	560	-	196	40,348
Qaliubieh	1,568	1,527	-	300	86,687
Sharkieh	23,634	13,835	-	40	109,931
Total	79,893	476,363	24,763	7,714	1,145,447
Upper Egypt -					
Giza	-	-	-	223	12,495
Beni Suef	-	-	-	-	109,545
Faiyum	-	-	-	-	69,295
Minya	-	-	-	-	301,649
Assyut	-	-	-	-	151,461
Girga	-	1	-	-	75,462
Total	-	1	-	223	719,907
Total	79,893	476,364	24,763	7,937	1,865,354
Scarto	1,908	12,104	512	178	34,713
General total ..	81,801	488,468	25,275	8,115	1,900,067

June 15, 1942

Foreign Crops and Markets

649

The Joint Anglo-Egyptian Cotton Buying (1941) Commission's schedule of prices still prevails but a revision is being studied. Since cotton sold to the Commission is offered on a voluntary basis, there is still some selling in regular commercial channels. Prices in the open market, particularly of extra long staple cotton, are considerably higher than those offered by the Commission. (See Foreign Crops and Markets, April 14, 1941.) Prices of Sakha 4 and Karnak (grades not specified) late in May ranged from 24 to 25.5 United States cents per pound compared with the Commission's prices ranging from 19.49 to 20.62 cents.

Ginning reports showed that 1,662,000 bales (of 478 pounds) of the 1941 crop, estimated at 1,671,000 bales, had been ginned by the end of March 1942. Cotton gins in Egypt are required by law to cease operations each year at the end of April unless the season is extended by official order, as was done in 1938 and 1939.

Domestic mill consumption during the 7 months ended April 1, 1942, amounted to 94,000 bales (of 478 pounds), compared with 90,000 for the corresponding period in 1940-41. Stocks on hand at the end of March were officially estimated at 2,281,000 bales against 1,749,000 at the same date a year ago.

INCREASE IN NORTH IRELAND'S FIBER FLAX AREA NOT HOPEFUL . . .

Adverse weather affected the 1941 flax crop and it is predicted that the present crop might be less than the 90,000 acres of last year. The Government's goal places the area to be sown to flax at 120,000 acres, and it has been indicated that the maximum acreage for North Ireland is 145,000 acres. Because of the effect of the unfavorable weather upon the quality of last year's harvest, the farmers are reluctant to plant more area to flax. It has been estimated that production from 250,000 to 300,000 acres would be needed in order to keep the manufacturing industry on a full-time basis.

There has been a scarcity of scutching labor and, because of the increased production last year, a substantial portion of the 1941 crop remains to be scutched. Doubt has been expressed that the scutching of all the 1941 harvest will be completed before the arrival of the new (1942) crop.

RESTRICTIONS FOR 1942 JUTE CROP OF BENGAL LESS DRASTIC . . .

The Bengal Provincial Government has set the 1942 area to be planted to jute at five-eighths of the area of 4,938,850 acres cultivated in 1940,

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or about 3,090,000 acres. In 1941 the Bengal Government only permitted one-third of the 1940 area to be planted; therefore, the 1942 acreage will be double that of 1941. Similar control measures are to be followed in Assam. The cultivable lands that come under a new development scheme in Assam, however, are not to be subjected to the restrictions. (See Foreign Crops and Markets, November 24, 1941, for breakdown of area and production of jute by provinces and states.)

Bengal Province accounts for 80-90 percent of India's jute production and a rough estimate of the total 1942 area for all India of 3,500,000 acres has been made. If a normal yield of 3 bales per acre is assumed, production of jute should be around 10,500,000 bales of 400 pounds.

Since the outbreak of the war between Japan and the United Nations, conditions have changed. The consumption of jute for the manufacture of heavy sacks, normally exported to the Far East, as well as jute for the better grade goods sold to Great Britain and the United States, is likely to decline and prospects of any improvement in the exports of unmanufactured jute are not promising, although it was reported that the number of working hours in the mills had not decreased. Because of the unfavorable outlook there has been a growing demand to reduce the area planned for Bengal this year. There was a demand to revise downward the 1942 crop restrictions, although this step had not been taken at the time the report was made.

Production of jute goods in India in 1941 of 1,112,500 tons declined from 1,225,700 tons in 1940, compared with 1,189,100 tons produced in 1939. Year-end stocks of hessian cloth and bags held by mills amounted to 243 million yards (excluding sandbags on Government order), compared with 219 million yards in 1940, and 356 million yards in 1939. Stocks of sacking cloth and bags amounted to 184 million yards on December 30, 1941, compared with 144 million and 118 million yards for the comparable period in 1940 and 1939 respectively.

Among the goods produced by the mills are sandbags, dyed hessian strips, and also nets for camouflage purposes, narrow and wide hessian cloth, canvas, paulins, and some heavy sacking cloth. No figures are available that would indicate the proportion of total manufactures that are being produced to fill war orders. Most of the heavy sacking was usually exported to Manchuria, China, Indo-China, and Thailand. The loss of these markets has meant an adjustment by the mills in reducing their output and changing to the manufacture of finer type goods, such as narrow Hessians and sandbags. Heavy sackings are manufactured from low quality jute and cuttings.

Stocks of raw jute at the end of the jute year, June 30, for the last 3 years, 1939-1941, have been 2,136,000 bales of 400 pounds, 1,992,000 bales and 4,653,000 bales, respectively.

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June 15, 1942.

Foreign Crops and Markets

651

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T O B A C C O

ARGENTINA ESTABLISHES OFFICIAL
TOBACCO WAREHOUSES AND MARKET . . .

A recent decree by the Argentine Government provides for the warehousing, grading, and marketing of tobacco under the supervision of the National Tobacco Institute. The purpose of the government control is to provide facilities for growers to borrow funds on tobacco held in storage and to improve both the marketing and the grading of tobacco.

The decree provides for the establishment of national warehouses in the producing districts and a tobacco market in Buenos Aires. Farmers may deliver their tobacco to a warehouse and receive warehouse certificates that are acceptable as collateral for loans. The tobacco can be delivered in bulk or in containers and may be either graded or ungraded. If ungraded the leaf must be sorted at the expense of the producer in accordance with the standards established by the National Tobacco Institute before it can be pledged as security for a loan or is sold.

Sales of the leaf may be consummated by auctions at the regional warehouses or at the central market in Buenos Aires and the prices received in each transaction must be published. The grower has the privilege of requesting the sale of his leaf at any time, but if total charges against a lot of tobacco for classification, storage, insurance, transportation, funds advanced, etc. exceed 50 percent of the appraised value established by the institute, it must be sold for the purpose of liquidating the credit.

All questions that arise in connection with the classification of tobacco stored in the official warehouses are to be adjusted by a commission, but the grower has the privilege of appealing their decision to the President of the Institute. The commission is to be composed of the manager of the Buenos Aires market or a person in charge of a regional warehouse, a representative of the tobacco producers, and a representative from the tobacco buyers, all of them to be appointed by the Institute. This commission will also serve the institute in preparing official standards.

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ARGENTINA'S 1941-42 TOBACCO CROP
21 PERCENT BELOW PREVIOUS YEAR . . .

The first official estimate by the National Tobacco Institute of Argentina places the 1941-42 crop at 31,305,000 pounds as compared with the 1940-41 crop of 39,731,000. The principal reasons for the decrease in this year's crop are a reduction in acreage planted and indications of lower yields in practically all the producing districts.

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SPANISH 1941-42 OLIVE OIL PRODUCTION
ABOVE LAST YEAR . . .

The preliminary estimate of 1941-42 edible olive oil production is 412,500 short tons as compared with 350,000 short tons in 1940-41 and 220,000 in 1939-40. The estimate is 2 percent higher than the recent 5-year average (1935-1939) of 408,100 tons and 14 percent higher than the 10-year average (1930-1939) of 362,400 short tons. According to information at hand, growing conditions throughout the 1941 season were highly satisfactory. A larger production of oil might have been realized except for transportation difficulties brought about by a lack of gasoline and also feed for work animals.

Exports reported during 1941 from the previous year's production totaled 4,379 short tons of which 720 short tons were sent to the United States and the remainder to Italy. Spanish possessions received 14,590 short tons of olive oil from the mainland. The oil exported to the United States originated in the Seville area while that sent to Genoa, Italy, came from Barcelona and Tarragona.

It was estimated that approximately 5,000 short tons of the 1940-41 oil remained on hand at the start of the present season. This estimate probably is a little conservative due to the tendency of some small holders to keep back oil for speculation and as a means of protecting themselves against unforeseen circumstances. The trade indicated that sulphur oil was virtually exhausted when the pressing of the 1941 olive crop commenced.

Rationing of olive oil continues in Spain. The ration is about 1/4 liter (about .26 United States quarts), per person per week though this is varied according to districts. If this basis is used for Spain and Spanish Morocco, it is estimated that about 266,200 short tons of edible oil would be required to meet the 1941-42 needs. Reports indicated that the Government issued instructions to exporters and refiners to have available 16,500 short tons of virgin oil, but failed to explain the purpose of the order.

The "Boletin Oficial del Estado" of March 1, 1942, published a circular of the "Comisaria General de Abastecimientos y Transportes" (Dirección Técnica de Recursos y Distribución) on the refining of olive and sulphur oils, reading as follows:

- Article 1. - All olive oil with an acidity over 5 percent may be refined.
- Article 2. - The price of refined olive oil will be that fixed by the Order of the Presidency of November 10, 1941: 395 pesetas per 100 kilograms (about 16 cents per pound) on wagon at place of origin.

June 15, 1942

Foreign Crops and Markets

653

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- Article 3. - All sulphur oil up to approximately 17 degrees acidity, may be refined.
- Article 4. - The price of refined sulphur oil on wagon at place of origin will be 335 pesetas per 100 kilograms (about 16 cents per pound).
- Article 5. - The refineries will acquire refinable olive oil from the province where they are located and will supply this province with the refined product.
- Article 6. - Refinable sulphur oil may be acquired by the refineries in any province and the Zone Commissioner will inform the province of destination that the necessary permit has been issued.
- Article 7. - The refineries are obliged to place at the disposal of the "Comisaria General de Abastecimientos y Transportes", 82 kilograms (180.4 pounds) of refined oil and 16 kilograms (35 pounds) of greasy acids in refinery paste, or 45 kilograms (99 pounds) of common soap, for every 100 kilograms (220.4 pounds) of refinable olive oil which enters the refinery; and 70 kilograms (154 pounds) of refined sulphur oil and 28 kilograms (61.6 pounds) of greasy acids in refinery paste, or 70 kilograms (154 pounds) of common soap for every 100 kilograms of sulphur oil which enters the refinery.
- Article 8. - The greasy acids of the refinery paste, which the refineries having annexed soap factories may transform into common soap, will be charged to their allotment of grease for soap making.
- Article 9. - The greasy acids of the refinery paste, will be quoted at 2.95 pesetas a kilogram (11 cents per pound) at the producing plant.
- Article 10. - During the olive oil season the allotments to the refineries may be established by the "Comisaria General de Abastecimientos y Transportes" at the proposal of the "Sindicato Nacional del Olivo".
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SPANISH 1941 MID-SEASON
ALMOND SITUATION . . .

The preliminary estimate of the 1941 Spanish shelled almond production is 24,200 short tons (revised), as compared with 24,700 tons in 1940 and 20,000 tons in 1939. The estimated production is 5 percent above the recent 5-year average (1935-1939) of 23,100 tons and 1 percent above the 10-year average (1930-1939* of 23,900 tons. The estimate of soft shelled almonds (Mollares) is 6,600 short tons, unshelled basis, as compared with 5,500 tons in 1940. Production was somewhat higher in the Reus Tarragona section than that of the previous year while in Alicante

and Mallorca it was somewhat lower. The estimated production of Jordans and Valencia varieties in the Malaga area was the same as that for 1940, 3,300 short tons of each.

SPAIN: Estimated production of shelled almonds, 1929-1941

Year	Production	Year	Production
	<u>Short tons</u>		<u>Short tons</u>
1929	18,600	1937	20,000
1930	22,200	1938	24,000
1931	26,600	1939	20,000
1932	20,600	1940	24,700
1933	24,600	1941 <u>a/</u>	24,200
1934	29,600	5-year average 1935-1939	23,100
1935	26,200	10-year average	
1936	25,100	1930-1939	23,900

Compiled from official records. a/ Revised.

Exports from the 1941 production were prohibited with the exception of a relatively small quantity sent to the United States in fulfillment of a 1940 contract. The purpose of this restriction is said to be to encourage the domestic consumption of almonds for the purpose of making up the shortage of other foods. The export prohibition, however, apparently failed to serve the intended purpose since trade sources estimate that stocks remaining in Spain on April 1 amounted to 16,000 short tons, or about 66 percent of the estimated production. Such unusually large stocks so late in the 1941-42 marketing season, may be attributed partly to the fact that exports were prohibited and partly to the fact that extremely high prices have taken them out of the domestic market. It is reported that the bulk of the almonds are in the hands of speculators and exporters though growers still hold some stocks.

It was rumored that exporters were contemplating approaching the Spanish Government for permission to export about 5,500 short tons from present stocks to bring some relief to the industry. The possible outlets suggested are Switzerland and the Scandinavian countries, but it was also made clear that the exporters would be willing to sell to the United States and United Kingdom, if agreements could be reached with those countries.

During the last 2 years there has been considerable activity in the manufacture of almond flour and oil. This situation was brought about by the restriction on the use of wheat flour for pastries and cakes and by shortage of olive oil. The cost of almond flour and oil, as might be expected, is very high in comparison to wheat flour and olive oil.

June 15, 1942

Foreign Crops and Markets

655

L I V E S T O C K A N D A N I M A L P R O D U C T SA U S T R A L I A N H O G S I T U A T I O N I M P R O V I N G . . .

Increased domestic and foreign demand for Australian pork products have brought about a distinct improvement in the Australian hog situation over that prevailing during the middle of 1941 when poor prospects on the home market and a shortage of overseas shipping caused a slump in prices. Today, however, hog producers in that country are being urged to expand production as quickly as possible, and in excess of any previous output, particularly of heavier-weight hogs.

Increased domestic demand for pork products as a result of the large numbers of Australian and Allied troops are given as an important factor in the improved situation. Increased demand in the United Kingdom for Australian canned pork products has also been a factor of considerable importance. The shortage of refrigerated space limits the quantity of carcasses that can be exported. Total annual demands for pork products by the United Kingdom and by the military forces in Australia will probably approximate 90 million pounds this year. This figure does not include the Australian civilian requirements.

Australian hog numbers increased steadily from 1937 to 1940. While 1941 figures are not available, it is known that the hog industry suffered a temporary setback because of the uncertainty of demand together with constantly changing export requirements, official discouragement of expansion, high price of feedstuffs, shortage of labor, and the effects of drought. All this has now changed, and, in view of the improved situation, an increase in hog numbers is anticipated for 1942.

A U S T R A L I A : D i s t r i b u t i o n o f h o g s , b y s t a t e s ,
D e c e m b e r 3 1 , 1 9 3 7 - 1 9 4 0

<u>State</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	<u>head</u>	<u>head</u>	<u>head</u>	<u>head</u>
New South Wales <u>a/</u>	357	377	451	507
Queensland	283	325	391	436
Victoria <u>a/</u>	285	253	298	398
Western Australia	65	83	149	218
South Australia	67	71	120	190
Tasmania	43	45	45	47
Northern Territory	<u>b/</u>	<u>b/</u>	<u>b/</u>	1
Australian Capital Territory <u>a/</u> ..	<u>b/</u>	1	1	1
Total	1,100	1,155	1,455	1,798

American consulate general, Sydney.

a/ Year ended March 31 the following year. b/ Less than 500.

The figures in the following table reveal the rather interesting fact that the total consumption of pork products in Australia declined from 139 million pounds in 1936-37 to 118 million pounds in 1939-40. The decline, which was mainly in the consumption of products other than bacon and ham, is accounted for largely by the increasing export demand for pork products in that period. Exports during the 1940-41 shipping season totaled about 82 million pounds, compared with about 28 million pounds in 1936-37.

AUSTRALIA: Production, consumption, and exports of pork, bacon, and ham, 1936-37 to 1940-41 a/

Year (July-June)	Production	Consumption	Exports
	1,000 pounds	1,000 pounds	1,000 pounds
1936-37			
Bacon and ham	72,630	70,877	1,753
Other pork products	95,309	68,493	26,816
1937-38			
Bacon and ham b/	70,340	68,198	1,678
Other pork products	86,003	52,044	33,959
1938-39			
Bacon and ham b/	74,454	72,353	1,739
Other pork products	82,854	52,170	30,716
1939-40			
Bacon and ham b/	77,278	72,451	4,248
Other pork products	97,556	45,353	52,203
1940-41			
Bacon and ham	c/	c/	6,677
Other pork products	c/	c/	75,446

American consulate general, Sydney.

a/ Year ending June 30. b/ The difference between consumption plus exports and production is accounted for by imports. c/ Not available.

During the 6 months ending December 31, 1941, exports of pork from Australia amounted to 25,521,692 pounds compared with 30,741,916 pounds in the same period of 1940. Most of these exports went to the United Kingdom. Of the quantity shipped in the 1941 period, 16,425,525 pounds were exported in the July-September quarter and 9,096,167 pounds in the October-December quarter. The decrease reflects the progressive restrictions placed on pork exports due to lack of refrigerated shipping space to the United Kingdom.

Exports of bacon and hams during the half year ending December 31, 1941, amounted to 4,606,047 pounds as compared with 2,512,977 pounds in the corresponding period of 1940. Most of these exports went to British Malaya, Egypt, Ceylon and other points where Empire troops were stationed.

June 15, 1942

Foreign Crops and Markets

657

AUSTRALIA: Exports of bacon and hams, and, other pork products,
by destination, July 1 - December 31, 1940 and 1941

Destination	July 1 - December 31	
	1940	1941
	Pounds	Pounds
<u>United Kingdom</u>		
Bacon and hams	2,426	28,049
Other pork products	29,885,610	23,785,611
<u>British Malaya</u>		
Bacon and hams	542,080	1,232,529
Other pork products	355,049	1,034,082
<u>Egypt</u>		
Bacon and hams	472,020	1,191,601
Other pork products	241,650	244,687
<u>India</u>		
Bacon and hams	404,492	450,820
Other pork products	10,316	108,978
<u>Ceylon</u>		
Bacon and hams	261,556	552,599
Other pork products	92,886	60,652
<u>Netherlands Indies</u>		
Bacon and hams	314,429	418,673
Other pork products	1,738	264
<u>Philippine Islands</u>		
Bacon and hams	112,854	141,565
Other pork products	1,224	13,475
<u>Hong Kong</u>		
Bacon and hams	91,905	203,173
Other pork products	2,043	193,603
<u>New Guinea</u>		
Bacon and hams	46,973	48,630
Other pork products	21,010	22,941
<u>Palestine</u>		
Bacon and hams	75,971	38,173
Other pork products	53,093	13,427
<u>Others</u>		
Bacon and hams	188,271	300,235
Other pork products	77,297	43,972
<u>Total</u>		
Bacon and hams	2,512,977	4,606,047
Other pork products	30,741,916	25,521,692

American Legation, Canberra.

As part of the plan for the stabilization of the Australian Meat industry, the Commonwealth Government, on March 2, 1942, began purchasing exportable pork products. This action was taken because of the

decision of the British Government to limit the amount of refrigerated shipping space which would be made available for the shipment of frozen meat. The Government intends to divert a large proportion of the acquired meat to canning factories in view of United Kingdom requirements. A Meat Canning Committee was set up which will be responsible for the control and production of canned meats. Under the Commonwealth's plan the prices paid to producers, in United States currency, are: Headless pork sides, 1st quality 9.6 cents per pound, 2d quality 9.2 cents, Wiltshire sides, 1st quality 10.3 cents per pound, 2d quality 9.9 cents.

CUBAN DAIRY INDUSTRY STEADILY EXPANDING . . .

Cuba's dairy industry, insignificant 10 years ago, has developed to the point during the past 2 years, where exports of dairy products now run into sizable proportions. Before this expansion Cuba was an importer of butter and cheese, but as a result of improved dairy manufacturing practices and a protective tariff, the position has been reversed. Low production costs have also helped Cuba's expanding export trade.

Recent annual production of butter has been between 5 and 6 million pounds while domestic consumption averaged about 3 to 4 million pounds a year. Exports of butter from Cuba during 1941 totaled 1,371,411 pounds as compared with 1,287,021 pounds in 1940. Annual cheese production averaged about 9 to 10 million pounds, and domestic consumption between 7 and 8 million pounds a year.

Exports of cheese in 1941 amounted to 937,652 pounds as against 293,271 pounds in 1940. Cuba's chief market for cheese and butter are found in the countries in the Caribbean area. Most of the cheese went to Puerto Rico, Venezuela, and Curacao, while Cuba's butter exports found markets principally in Panama and the United States. Cuban cheeses find only a small market in the United States, as they are not types to which Americans are accustomed.

CUBA: Exports of butter by destination, 1940-41

Destination	1940		1941	
	Exports	Value in United States currency	Exports	Value in United States currency
	Pounds	Dollars	Pounds	Dollars
United States .	555,755	107,061	257,283	58,902
Panama	347,824	72,312	767,831	177,094
Others	383,442	87,124	346,297	83,690
Total	1,287,021	266,497	1,371,411	319,686

American consulate general, Habana.

June 15, 1942

Foreign Crops and Markets

659

CUBA: Exports of cheese by destination, 1940 and 1941

Destination	1940		1941	
	Exports	Value in United States currency	Exports	Value in United States currency
	Pounds	Dollars	Pounds	Dollars
Venezuela	134,851	25,928	328,638	75,092
Puerto Rico ...	31,572	4,187	334,753	37,435
Curacao	86,592	16,578	180,581	37,067
United States .	28,274	5,055	33,215	5,959
Others	11,982	2,402	60,465	12,611
Total	293,271	54,150	937,652	168,164

American consulate general, Habana.

For a few months prior to April 1942, butter and cheese, together with all other foodstuffs produced in Cuba, were subject to general export control. Investigations showed, however, that a number of the food-stuff industries were producing sufficient quantities to meet export demands as well as local requirements. The perishability of butter and cheese, moreover, made these products ill-suited to export control restrictions. As a result, a decree of April 22, 1942, released Cuban butter and cheese, along with a few other commodities, from these restrictions providing that those particular industries could maintain production high enough to satisfy domestic and foreign needs. The Import and Export Control agency, however, must be informed of each export within 48 hours after shipment.

Cuban exports of condensed milk have shown phenomenal increases since 1936 when exports valued at \$171 and amounting to 1,418 pounds rose to a 1941 valuation of \$1,226,355 and weight of 15,640,804 pounds. Exports during that year went to 25 countries, with the bulk going to Thailand, Straits Settlement, and Oceania. Exports in 1942, however, are expected to be reduced because of lost markets and a shortage of tin cans.

CUBA: Exports of condensed milk, 1936-1941

Year	Value in United States currency	
	Exports	
	Pounds	Dollars
1936	1,418	171
1937	2,563	268
1938	77,150	6,424
1939	16,995	1,630
1940	4,106,116	307,184
1941	15,640,804	1,226,355

American consulate general, Habana.

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	Index	Page
	Page ::	Page
Late foreign developments	640 ::	Jute:
-----	::	Area, India, 1940-1942
Almonds:	::	Stocks, India, June 30, 1939-1941
Production, Spain, 1929-1941 ...	654 ::	Milk, exports, Cuba, 1936-1941 ...
Situation, Spain, 1941	653, 654 ::	Olive oil:
Stocks, Spain, Apr. 1, 1941	654 ::	Exports, Spain, 1941
Bacon and hams:	::	Production, Spain, av. 1930-1939,
Consumption, Australia, 1936-37	::	and 1939-40 to 1941-42
to 1939-40	656 ::	Ration, Spain, 1942
Exports, Australia, 1936-37 to	::	Regulations, Spain, Mar. 1, 1942
1940-41, and July 1 - Dec. 31,	::	Peanuts:
1940, 1941	656, 657 ::	Area, Argentina, 1934-35 to
Production, Australia, 1936-37	::	1941-42
to 1939-40	656 ::	Exports (and oil), Argentina,
Barley:	::	1934-35 to 1940-41
Area, Australia, 1933-34 to	::	Production, Argentina, 1934-35
1941-42	643 ::	to 1941-42
Carry-over, Australia,	::	Pork products:
October 1942	643 ::	Consumption, Australia,
Production, Australia, 1933-34	::	1936-37 to 1939-40
to 1941-42	643 ::	Exports, Australia, 1936-37 to
Butter, exports, Cuba, 1940, 1941 .	658 ::	1940-41, and July 1 - Dec. 31,
Cheese, exports, Cuba, 1940, 1941 .	659 ::	1940, 1941
Cotton:	::	Prices, Australia, Mar. 2, 1942
Area, Egypt, 1941, 1942	647 ::	Production, Australia, 1936-37
Exports, Egypt, Aug. - Apr. 28,	::	to 1939-40
1940-41, 1941-42	647 ::	Rice:
Ginnings, Egypt, 1937-38 to	::	Exports, Uruguay, 1935-1939
1941-42	647, 648 ::	Imports, Uruguay, 1935-1939
Prices, Egypt, May 1942	649 ::	Production, Uruguay, 1935-1939 .
Production, Egypt, 1940, 1941 ...	640 ::	Utilization, Uruguay, 1935-1939.
Stocks, Egypt, March 1941, 1942 .	649 ::	Sunflower seed:
Dairy situation:	::	Price, Argentina, 1942
Argentina, 1942	640 ::	Production, Argentina, 1942
Cuba, 1942	658, 659 ::	Tobacco:
Flax (fiber), area, Ireland,	::	Government control, Argentina,
1942	649 ::	1942
Flaxseed, price, Argentina, 1942 .	646 ::	Production, Argentina, 1940-41,
Grains, crop conditions, Canada,	::	1941-42
May 31, 1938-1942, and	::	Vegetable oils (edible), Government
June 9, 1942	640-642 ::	regulations, Cuba, Apr. 27, 1942
Hogs:	::	Wheat:
Distribution, Australia,	::	Area, Egypt, 1942
Dec. 31, 1937-1940	655 ::	Conditions, Canada,
Situation, Australia,	::	May 31, 1938-1942
1942	655-658 ::	Production, Egypt, 1941, 1942 ...

